

11.3.1 Relationship Management

Why the Northrop Grumman Team? The Northrop Grumman Team understands VITA's organizational requirements, as described in the PPEA bid package, and proposes a program organization designed to align the organization for success and drive results. Our proposed program organization provides clear interfaces between VITA and Northrop Grumman Team personnel as well as simple structure with clear lines of authority to focus on maintaining excellence in service delivery while completing transformational initiatives. Our program organization actively participates in each of the six governance committees to ensure appropriate oversight, communications and exploration of innovative opportunities.

The Northrop Grumman Team understands VITA's organizational requirements, as described in the Public-Private Education Facilities and Infrastructure Act (PPEA) bid package, and proposes a program organization designed to align the organization for success and drive results. The organizational structure provides clear interfaces between VITA and Northrop Grumman Team personnel for direct dialogue and problem resolution, as well as a simple structure with clear lines of control to minimize misunderstanding and drive communication. **Exhibit 11.3.1-1** illustrates the primary relationships between VITA managers and the Northrop Grumman Team personnel.

Additionally, our organization supports participation of Northrop Grumman Team personnel on each of six governance committees to ensure appropriate management control, oversight and communications, as well as consistent cross-functional services across all program activities.

11.3.1.1 Relationship Management Requirements

Our approach to Relationship Management provides high visibility into performance across the enterprise, allowing us to meet both the spirit and the letter of VITA's Relationship Management requirements. **Exhibit 11.3.1-2** describes how our Relationship Management model addresses VITA's requirements.

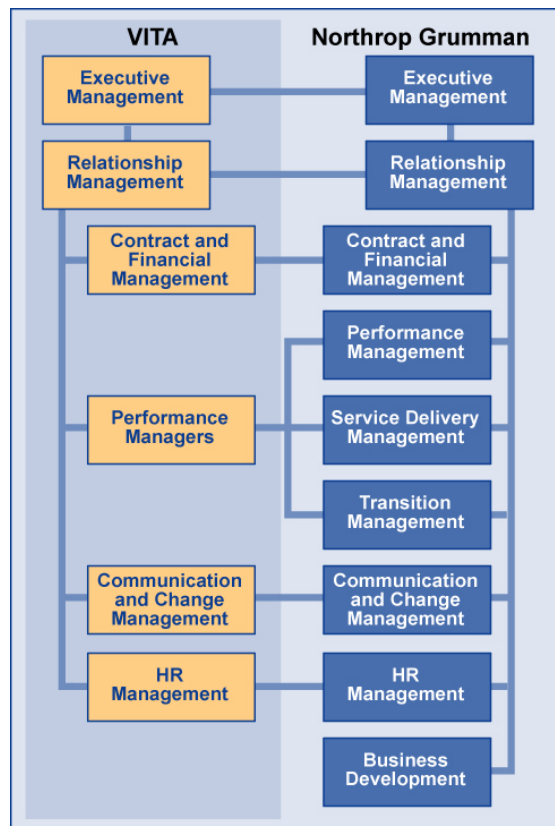


Exhibit 11.3.1-1 Northrop Grumman Team/ VITA Manager's Interfaces

We have established clear points of communication between the program management organization and VITA.

VITA Relationship Management Requirements	Northrop Grumman Team Approach
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Exhibit 11.3.1-2 Approach to Relationship Management

Our approach provides high visibility into performance across the enterprise, allowing us to meet VITA's stated relationship management requirements.

11.3.1.2 Relationship Management Approach (PROPRIETARY & CONFIDENTIAL)

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11.3.1.3 Governance Committees (PROPRIETARY & CONFIDENTIAL)

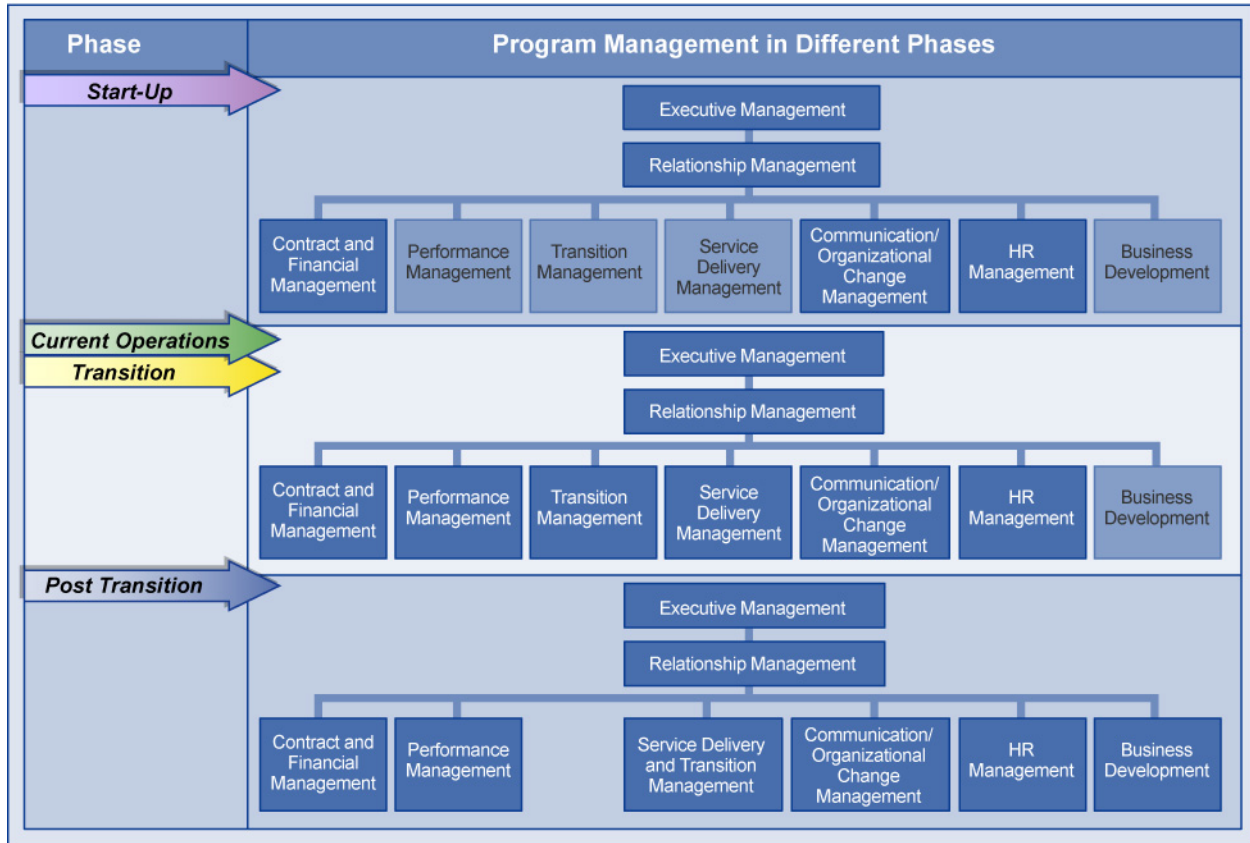
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11.3.1.4 Relationship Management Structure

Northrop Grumman Team's proposed program management establishes Executive Leadership with a single point of responsibility to VITA, and facilitates management oversight of all program activities.

This program management structure will ensure seamless account implementation, adherence to the statement of work, and consistency in service delivery and quality. This organization is based on the following key factors:

- Strong relationship management
- Well-managed transition services
- Sound business management
- Smooth transition of personnel
- Effective internal and external communications and public relations
- Effective integration of cross-functional services
- Reliable operations
- A shared governance model structure



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Exhibit 11.3.1-7 Program Management Structure Over the Life of the Program

The program management structure consists of Contract administration, Financial management, Performance management, Service Delivery management, Transition management, Communications and Change management, Human Resources management, Business Development management, and Technology management. This program management structure has been developed to ensure the success of the program. Similar to the program governance, the roles within program management will evolve over time, as shown in **Exhibit 11.3.1-8 (Redacted from Public Document – Proprietary and Confidential)**.

11.3.1.5 Governance Procedures

The following processes guide the program governance:

- Planning
- Contract Management
- Change Management
- Business and Economic Development Management
- Human Resources Management
- Financial Management
- Service Level and Performance Management
- Resource Management

- Technology Management
- Integration Management
- Customer Satisfaction Management

These processes are described in the following sections.

Planning

Our planning process works effectively in a variety of circumstances. Examples of success include initial contract start-up where there is an incumbent workforce; contract or work effort consolidation into a base contract; migration or evolution of enterprise architectures or infrastructure platforms; and a transition to a new concept of operation (for example, changing from a Time and Materials (T&M) to an outsourced, fixed-price task order environment).

Our planning process will focus on achieving the following objectives:

- Involve, communicate and listen to VITA committees and management to refine our insights into evolving technology, platform, infrastructure, operating concepts and support-skill needs
- Identify early and validate all assumptions and constraints
- Lead by experienced, dedicated managers
- Include regular communications as part of the planning process
- Conduct thorough risk assessments and develop detailed mitigation plans as part of planning
- Incorporate lessons learned from previous engagements
- Use tailored toolkits containing processes, schedules, forms, guidelines, and other tools proven useful over time
- Develop detailed schedules and milestones for assumption of contract responsibility and assign action roles and responsibility for each event
- Work closely with contractor(s) and stakeholders
- Implement a multitiered recruiting and rapid staffing process that simultaneously delivers qualified personnel as needed
- Keep VITA management informed of planning activities on a regular basis

Contract Management

The Business Manager is responsible for contract management and serves as the liaison with VITA on contractual issues. Contract management involves activities performed to determine how well the Northrop Grumman Team is performing to meet the requirements of the contract. It encompasses all dealings between Northrop Grumman and the Commonwealth contractor administrator, from the time the contract is awarded until the work has been completed and accepted or the contract terminated, payment has been made, and disputes have been resolved. As such, contract administration constitutes that primary part of the ongoing process that assures the Commonwealth receives the contracted services.

The Business Manager will ensure that responsibility is established for contractor oversight, and that VITA receives status reports regarding all contractual matters. The keys to successful contractor management are an unambiguous and mutual understanding of the contract and a good business relationship. The performance standards must be articulated in the contract, so that

both Northrop Grumman and VITA can demonstrate a complete understanding of the standards and show that a process has been established for meeting each of the standards.

Contract management will focus will be on obtaining products and services of requisite quality, on time and within budget. Contract management will be practiced with attention to the Commonwealth's applicable rules, regulations and policies. Our business manager has the knowledge and critical ability to make appropriate decisions with respect to contract decisions.

Contract administration activities will begin during the contract development process to allow performance evaluative criteria to be built into the contract. These criteria will assist the contract administrator in determining compliance with contract terms and conditions.

Ensuring contract compliance depends on having the right combination of skills in conjunction with a contract administration methodology. Our goal is to set the project expectations through collaboration. Creating a successful team and individual accountability is the challenge that Northrop Grumman's project leadership is prepared to handle. We will assemble the skills needed to assess and review contract deliverables for accuracy and compliance with contractual obligations.

The Business Manager will hold regularly scheduled meetings with the VITA Contract Manager to obtain information about how effectively Northrop Grumman is achieving the contractual objectives. Periodic reviews will be established to ensure adherence to standards and compliance with VITA processes and schedules.

Change Management

The Northrop Grumman Team understands that organizational change management is critical to the success of this program and the transformation of VITA's IT services. The Commonwealth of Virginia has embarked on a revolutionary path to fully transform the provision of IT services. VITA's management, employees, customers, and other stakeholders have already experienced the early effects of this change through the creation of VITA and the centralization of IT services. With the transformation enabled by the PPEA, VITA takes another step forward. The Northrop Grumman Team fully recognizes that the infrastructure transformation is one component of a much larger transformation initiative.

The changes associated with the infrastructure transformation must be carefully balanced with previous changes, upcoming changes focused on enterprise applications, and the continued definition of the retained VITA organization's position as a leader in IT services. The diversity of concurrent and related change initiatives requires an approach that is flexible, adaptive, and responsive enough to address all phases and facets of the transformation process. The Northrop Grumman Team's solution for communications and change management provides a proven framework and discrete activities to manage the multidimensional components of transformational change. To guide this multidimensional approach, the Northrop Grumman Team will leverage Booz Allen Hamilton's proprietary, patent pending Transformation Lifecycle (TLC) framework.

A detailed discussion of the Northrop Grumman Team's approach to organizational change management is provided in **Section 2.3.11** with additional details provided in **Appendix 2.3.11-1 (Redacted from Public Document – Proprietary and Confidential)**.

Business and Economic Development Management

The mission of business development management is to strive to optimize VITA's value to the Commonwealth's citizens. This occurs by providing VITA's supported agencies with the highest quality IT services. These services result from supporting management efforts to meet fair business customer requirements with business management integrity, superior performance and exceptional judgment. Business development services are rendered through a variety of functions and a series of processes that plan and financially manage the business while minimizing VITA's exposure to undue risks. The business development manager provides the leadership necessary to fulfill the business development mission within the context of the partnership's values and objectives. They will be supported in this mission by the Communications and Organizational Change Management team.

We will establish and extend a world-class competitive posture of VITA IT services within the Commonwealth. The Business Development Committee will provide recommendations for identifying, analyzing and capitalizing on market opportunities.

Human Resources Management

One of the Northrop Grumman Team's key differentiators is our ability to bring together the right combination of people to deliver client solutions, including strategists who define new boundaries, technologists who understand the real potential of IT in business, and change management specialists and consultants who know how to design and implement new business processes. By doing this, we have established the capability to transform the performance of clients.

The Northrop Grumman Team understands that VITA will require a unique combination of resources with broad skill sets. We have assembled a Team that has a unique blend of business process, IT, and implementation experience.

Human Resources management includes the processes that organize and manage the project team. The Northrop Grumman Team will be comprised of the people who have the combined skills and knowledge to meet VITA's needs. All Team managers will be involved in much of the project's planning and decision-making. Early involvement of management adds expertise during the planning process and strengthens commitment to the program. Human Resources management processes are categorized into four groups:

- Human Resources Planning—identifying and documenting project roles, responsibilities, and reporting relationships as we are creating the staffing management plan
- Acquire Team—obtaining the human resources needed for VITA's services
- Develop Team—improving the competencies and interaction of team members to enhance performance
- Manage Team—tracking team member performance, providing feedback, resolving issues, and coordinating changes to enhance project performance

A detailed discussion of personnel management is provided in **Section 2.3.5**.

Financial Management

The Business Manager will implement processes to measure the success of financial management. With the increasing financial and resource pressures facing state governments today, being able to do more with less has become a necessity. For any government project to be approved in

today's environment, it must be able to deliver greater outcomes in a more efficient manner. Accountability is a very important part of services that are delivered to constituents and to other state agencies. Many governments are finding it extremely hard to deliver more outcomes and to transform themselves, and the services they provide into a "high-performance" model.

The Business Manager will develop specific targets, measures and outcomes for the successful execution of this effort. The financial management model will begin the process of taking a holistic view of VITA's overall efforts, the role of participating agencies and the overall impact this effort will have at the state level.

A detailed discussion of financial management is provided in **Section 11.3.2.2.19**.

Service Level and Performance Management

Our ability to rapidly and accurately assess performance, diagnose shortcomings and identify opportunities for improvement will lead to prompt and appropriate management response because we will have meaningful data on which to base decisions. A multidimensional performance measurement framework provides transparency into all aspects of the organization, allowing management to align resources to drive performance improvement and meet strategic objectives.

The Northrop Grumman Team will work with VITA to implement the multidimensional approach and actively manage performance by continually monitoring and tracking performance measures; aligning resources and business processes with strategic objectives; and responding to feedback from stakeholders, including employees, customers and other constituents. By actively managing performance using our multidimensional framework, the Northrop Grumman Team, in partnership with VITA, will transform the partnership into a cohesive, disciplined, performance-focused entity.

The Northrop Grumman Team acknowledges and agrees with VITA's intent to establish service level agreements to maintain effective performance under the contract. We have strong experience in meeting and exceeding established services levels, and will demonstrate this same commitment to the Commonwealth.

A discussion of performance management is provided in **Section 2.3.6**. Performance targets are provided in subsections of **Sections 11.3** that address SLAs and metrics.

Resource Management

Our process for obtaining additional functional or technical expertise for this program will be in response to different types of projects or short-term requirements. Requirements that extend beyond the basic program staffing levels or skills might include support for:

- New technology investigation as part of strategic planning
- Mainframe migration to client/server or Web platforms
- Technology consolidation, conversion, or upgrade projects

The Northrop Grumman Team will work within the VITA project framework for initiation and project planning to proactively identify requirements for additional expertise to augment skills available on the project. We will define these requirements based on numbers and types of skill levels, duration and other factors important to filling the requirement. The relationship manager will activate one or more of the Northrop Grumman Team's numerous internal and external

channels to staff the requirement, depending on factors such as immediacy of need and level of expertise required.

For example, the Relationship Manager will interact with our internal Managed Services Architecture and Strategic Planning Group. This group routinely provides clearinghouse services for direct and expanded access to senior technology specialists, functional experts and IT outsourcing governance managers. In a recent example, a global automobile manufacturer for whom we provide IT outsourcing services required a comprehensive IT security vulnerability and penetration assessment. Our Architecture and Strategic Planning Group quickly activated relationships within Northrop Grumman to get our most experienced security professionals on-site to work with the customer to analyze a complex, nationwide distributed computing environment (including networked desktops, Unix servers, and mainframe). Within hours of arriving on site, the security team identified major security breaches, exposing vulnerability of the customer's corporate assets, and provided recommended follow-up actions to eliminate potential security breaches.

Technology Management

Northrop Grumman and our partners stay current with all technology products and services that might be relevant to our customers—especially those products and services that will improve the quality or cost-effectiveness of services. As a technology leader, we constantly investigate industry trends to select appropriate strategies for computing platforms and products to enhance our customer's business processes.

We will use our best practices capacity planning techniques and project management processes to assess the Commonwealth's infrastructure and implement the appropriate enterprise systems to monitor, correlate events and trends, and perform historical and predictive analyses. We have expertise in identifying, evaluating, recommending, and deploying diverse optimization methods, and in developing tactical and strategic plans to ensure that the operating environments accommodate growing or changing business requirements. We will apply this expertise to drive savings for the Commonwealth, through recommendations of incorporation of newer platforms and proven automation technologies. We will continually forward our technology and architectural recommendations to the Technology Committee for consideration.

Northrop Grumman's own IT sector has over 23,000 employees. Our IT personnel hold advanced technical certifications including, but not limited to: project management (Project Management Institute, Disaster Recovery Institute; CISSP); hardware (A+, Dell, Compaq, HP, IBM, Gateway, Xerox); Microsoft (MCP, MCP +I, MCSE, MCSA, MS DBA, Novell CNA, Novell CNE); and networking (Cisco CCDA, CCNA, CSPF, CCNP; Network+; 3COM, CIW). Northrop Grumman has substantial relevant and accessible internal resources to apply to VITA technology assessment, planning and technology expansion needs. Additionally, our team partners add substantial qualifications to ours, and provide a wealth of assets that we can leverage to the Commonwealth. We will also establish a Technology Advisory Panel, consisting of Northrop Grumman and HP CIOs/CTOs, and industry analysts (e.g., Gartner, Meta), to help ensure a current industry viewpoint to all architectural development activities.

Integration Management

Integration management includes gathering project, process and product performance and other measurement data, analyzing this data, and reporting the results formally through regularly

scheduled project status meetings and at major milestones. Planning will need to identify the key measurement data, responsibilities for providing the data on a timely basis, procedures for analyzing and performance (for example, earned value calculation), for communicating results, and for determining how to formally affect project scope, schedule, cost changes and when corrective actions need to be taken. A fully integrated plan and schedule must be developed to effectively monitor progress.

Integrated change control is a key part of integration management. It will be necessary to coordinate changes throughout the entire VITA effort. Although the processes are presented as discrete elements, in practice they overlap and interact.

The Northrop Grumman Team's approach to integration management is based on working in a collaborative manner with our clients and with all teaming partners. We envision a collaborative team approach with VITA. While some tasks should remain independent to a particular group, it is critical that open and cooperative communications exist, to the maximum extent possible, between all team members.

The goal of the Northrop Grumman Team is to minimize risks and maximize results for the Commonwealth. Our management philosophy includes a methodology and mechanisms for issue management, risk management, schedule management, change control, acceptance, status reporting and frequent reference to management plans for guidance. We will ensure that all processes are properly managed during project execution by doing the following:

Monitor project progress against plans, including:

- Tracking resources (staff, schedule, costs, suppliers) against plans
- Tracking processes against plans
- Reporting to stakeholders

Monitor corrective actions to closure, including:

- Identifying and analyzing issues
- Identifying solutions
- Confirming approval of corrective actions
- Evaluating effectiveness of correction actions
- Reporting to stakeholders

Customer Satisfaction Management

We routinely assess customer satisfaction with our performance at program and service element levels. We will collect end-user satisfaction data through surveys as well as active, two-way listening by organizations (such as the help desk) that interact with end users. We will capture the results and report them semiannually in accordance with Section 3.17 of the Comprehensive Infrastructure Agreement. We will apply this same level of attention to monitoring and capturing stakeholder feedback.

At the program level, the Northrop Grumman Team will initiate the VITA Annual Survey with prior review and approval of the VITA Relationship Manager. Our standard Contractor Performance Assessment Record (CPAR) survey is provided as **Exhibit 11.3.1-9**. This particular example is a customized version used for our Grand Rapids IT services contract. We will work with VITA to develop an appropriate survey for this program.

Contractor Performance Annual Rating Responses from Interview

Customer:		
Contract Title:		
Contract Number:	Activity Code:	Period of Performance:
COR/COTR/Task Manager:	Address/Phone:	Contract Tenure:
Northrop Grumman IT PM:	Location/Phone:	
Date of Interview:	Evaluated by:	
Evaluation Rating: <input type="checkbox"/> Blue (Performance significantly exceeds contractual requirements.) <input type="checkbox"/> Green (Performance satisfies all contractual requirements.) <input type="checkbox"/> Yellow (Performance fails to meet contractual requirements, but can be remedied.) <input type="checkbox"/> Red (Performance significantly below contractual requirements/significant changes required.)		

Summary of Contractor Performance Evaluation

Overall summary of customer's interview:

OVERALL SUPPORT

1. How would you characterize Northrop Grumman IT's support on this contract?
2. How would you rate the *quality* of the services and products Northrop Grumman IT provides?
3. Can you identify any specific *technical* accomplishments made by Northrop Grumman IT?
4. Can you identify any specific *management* accomplishments made by Northrop Grumman IT?
5. What do you believe are Northrop Grumman IT's strengths? Weaknesses?

PERSONNEL

6. How would you rate the quality of the Northrop Grumman IT staff?
7. Specifically, how would you rate the quality of the technical knowledge Northrop Grumman IT provides?
8. Who are the "key" Northrop Grumman IT personnel on this contract?
9. How effective has Northrop Grumman IT been in training, developing, and using our key personnel?
10. In characterizing the performance of Northrop Grumman IT's personnel—do they exhibit reasonable and cooperative behavior in their interactions with your staff? Are they responsive to technical direction?
11. How would you characterize the initiative displayed on this contract by Northrop Grumman IT key personnel?
☐ Display considerable initiative ☐ Display some initiative
☐ Require frequent guidance ☐ Require constant guidance
12. How well do we manage our subcontractors (if applicable)?
13. What security level is in place on this contract? Have there been any security problems/issues Northrop Grumman IT has had to address?

BUSINESS RELATIONSHIPS

14. Do you believe that Northrop Grumman IT devotes adequate *resources* to this contract in a timely fashion to meet your requirements and successfully solve problems?
15. Does Northrop Grumman IT comply with all contractual terms?
16. How responsive and reasonable is Northrop Grumman IT with regard to negotiating contract changes and modifications?
17. How effective is our invoicing?
18. To what extent does Northrop Grumman IT adhere to contract delivery schedules for services and products provided?
19. Have there been any terminations of tasks due to Northrop Grumman IT's inability to meet technical requirements, delivery schedules, or cost predictions? If so, please explain.
20. How well does Northrop Grumman IT respond to problem areas (e.g., technical, administrative, contractual)? Were effective corrective actions implemented on a timely basis?
21. Would you consider the risk factor of working with Northrop Grumman IT to be:
☐ Low risk; ☐ Medium risk; ☐ High risk

CUSTOMER SATISFACTION

22. Does Northrop Grumman IT appear to you to be committed to customer satisfaction? If yes, how do we demonstrate our commitment to you? If no, how might we better demonstrate our level of commitment?
23. Thinking about your overall level of satisfaction with Northrop Grumman IT's support and the money you've spent for that support, do you believe that you:
☐ Receive extremely good results for the money spent ☐ Receive your money's worth
☐ Quality did not meet expectations ☐ Other (please describe)
24. Based on past performance, would you consider Northrop Grumman IT qualified for future work?
25. Are there any issues or concerns you would like addressed?

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Exhibit 11.3.1-9 Contractor Performance Acceptance Record

Northrop Grumman's standard CPAR survey is directly applicable and easily tailored to meet VITA's needs.

If a recent survey of the previous year's service performance is available, we will establish our customer satisfaction baseline against previous year's findings. If a recent survey was not conducted or missed key program performance elements, we recommend using the new survey format to take a baseline against historical service elements provided by the current on-site services contractor. This baseline will give us a good indication of improvement after the first year of the program. Our Relationship Manager will review the results of the VITA Annual Survey with the VITA Relationship Manager as part of the annual planning cycle to ensure necessary corrections are in place for upcoming performance calendar year. At the service-element level, we typically conduct project-specific customer satisfaction surveys as depicted in **Exhibit 11.3.1-10**, extracted from our U.S. Peace Corps Seat Management project. For the VITA contract, the service operations manager and the service support manager will initiate customer satisfaction surveys annually, upon completion of major technical project completion, or upon trouble ticket closure. The Northrop Grumman Team will report results and trend analysis of customer satisfaction surveys with corrective action plans, as needed, in the monthly status report.

The image displays two overlapping screenshots of a web-based Customer Satisfaction Survey for the Peace Corps. The top screenshot shows the initial survey questions about the help desk specialist's performance. The bottom screenshot shows the continuation of the survey, including questions about the technical ability and professionalism of the help desk specialist, overall satisfaction, and the most important service element.

Peace Corps Survey - Microsoft Internet Explorer provided by Peace Corps

Address: <http://inside.peacecorps.gov/survey/thesurvey1.dfm>

Customer Satisfaction Survey

Please rate the following about your experience with our help desk specialist:

The time it took to reach a help desk specialist.

☐ Very Satisfied ☐ Satisfied ☐ Somewhat Satisfied ☐ Somewhat Dissatisfied ☐ Dissatisfied

The technical ability of our help desk specialist.

☐ Very Satisfied ☐ Satisfied ☐ Somewhat Satisfied ☐ Somewhat Dissatisfied ☐ Dissatisfied

The professionalism of our help desk specialist.

☐ Very Satisfied ☐ Satisfied ☐ Somewhat Satisfied ☐ Somewhat Dissatisfied ☐ Dissatisfied

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Peace Corps Survey - Microsoft Internet Explorer provided by Peace Corps

Address: <http://inside.peacecorps.gov/survey/thesurvey2.dfm>

Customer Satisfaction Survey

The time it took to provide a solution.

☐ Very Satisfied ☐ Satisfied ☐ Somewhat Satisfied ☐ Somewhat Dissatisfied ☐ Dissatisfied

Your overall satisfaction with this service contact.

☐ Very Satisfied ☐ Satisfied ☐ Somewhat Satisfied ☐ Somewhat Dissatisfied ☐ Dissatisfied

What one service element is most important to you?

☐ Ease of Requesting Service ☐ Completeness / Accuracy

☐ Response / Arrival / Call back Time ☐ Repair / Solution / Fix Time

☐ Technical Ability ☐ All

☐ Professionalism ☐ Other

☐ Communication / Status

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Exhibit 11.3.1-10 Customer Satisfaction Survey [Extract]

Northrop Grumman IT's Web-based customer satisfaction survey is designed to collect task-level customer satisfaction data in a timely, convenient, and useful format.